



Recommendation for Action

File #: 19-3821, **Agenda Item #:** 1.

12/10/2019

Posting Language

Authorize the negotiation and execution of all documents and instruments necessary to purchase in fee simple approximately 1.3620 acres of land and a building containing approximately 31,649 square feet out of Lot 2, Block B, Metro Center Section 3, subdivision in Travis County, Texas, according to map or plat of record in Volume 99, Pages 288-289, of the Plat Records of Travis County, Texas, known locally as 7705 Metro Center Drive, Austin, Texas 78744 from Jay Shyam Corporation for a total amount not to exceed \$6,800,000.00 including closing costs.

Lead Department

Office of Real Estate Services

Fiscal Note

Funding is available in the Capital Budget of the Office of Real Estate Services upon approval of the companion items.

Prior Council Action:

January 31, 2019, Council approved Resolution 20190131-078 relating to a pilot project to provide immediate shelter and support services for those experiencing homelessness on a 10-0 vote. Council Member Flannigan was off the dais.

June 6, 2019, Council approved Resolution 20190606-049 relating to implementing the responses directed in Council Resolution No. 20190131-078, including taking all actions necessary to implement the provision of immediate shelter structure(s) and services on a 10-0 vote. Council Member Harper-Madison was off the dais.

For More Information:

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Additional Backup Information:

This action authorizes the negotiation and execution of a Purchase and Sale Agreement with Jay Shyam Corporation to acquire a building to provide shelter and support services to those experiencing homelessness. The acquisition will include approximately 31,649 square feet of commercial building space on a 1.3620 acre lot with approximately 71 rooms.

Upon successful acquisition of the property, staff will consult with appropriate consultants and service providers to provide the necessary services needed to provide assistance to those individuals experiencing homelessness.

According to Strategic Direction 2023, the issue of homelessness has been identified as the Council's top priority. The number of people experiencing homelessness in Austin continues to rise, with the Point-In-Time Count reflecting an increase from 2,147 in 2018 to 2,255 in 2019. As a subset, the number of unsheltered individuals increased from 1,014 to 1,086 within this period. Over the past five years this same population grew by 638 individuals, an increase of nearly 63%.

The Office of Real Estate Services has identified the building at 7705 Metro Center Drive as a property that would be able to provide shelter and support services to those experiencing homelessness. The property is an ideal location given the proximity to areas where individuals who are experiencing homelessness live, accessible by public transportation, close to major arterials, and within reasonable distance of health care facilities. The estimated purchase price including closing costs and other related fees is \$6,800,000.

Operating and maintenance costs for this facility are unknown at this time but are anticipated to be fully funded through fundraising efforts. These costs will vary significantly depending on the amount and level of services provided at this facility.